

N E W S R E L E A S E

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California's Unemployment Rate Declines to 5.7 Percent **Payroll Employment Up 43,500 Jobs**

SACRAMENTO – California's unemployment rate was 5.7 percent in October, down from a revised 6.0 percent in September, the state Employment Development Department (EDD) reported today. This is the lowest unemployment rate in California since September 2001, when the rate was also 5.7 percent. A year ago, in October 2003, California's unemployment rate was 6.7 percent.

According to EDD's survey of employers, nonfarm payroll employment in California grew by 43,500 jobs over the month, for a total of 14,576,700.

According to the separate survey of households, the number of Californians holding jobs in October was 16,718,000, a record high for employment. This was an increase of 70,000 from September, and up 386,000 from the employment total in October of last year.

The number of people unemployed in California was 1,019,000 – a decline of 41,000 over the month, and down by 154,000 compared with October of last year.

Of the unemployed, 363,200 were laid off, 77,600 left their jobs voluntarily, and the remaining were either new entrants or reentrants into the labor market.

UNEMPLOYMENT INSURANCE CLAIMS (NOT SEASONALLY ADJUSTED)

In related data, the EDD reported that there were 360,202 people receiving regular unemployment insurance benefits during the October survey week. This compares with 358,752 last month and 480,969 last year. At the same time, new claims for unemployment insurance were 49,756 in October 2004, compared with 39,350 in September and 68,326 in October of last year.

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WAGE AND SALARY EMPLOYMENT DETAIL (SEASONALLY ADJUSTED)

EDD's report on payroll employment (wage and salary jobs) in the nonfarm industries of California totaled 14,576,700 in October, a net gain of 43,500 jobs since the September survey. This followed a gain of 8,300 jobs (as revised) in September.

Nine of the categories (**construction; manufacturing; trade, transportation and utilities; information; financial activities; professional and business services; educational and health services; leisure and hospitality; and other services**) added jobs over the month, gaining 54,100 jobs. The professional and business services industry showed the largest gain, up by 16,300 jobs. Two categories (**natural resources and mining** and **government**) reported job declines this month, down 10,600 jobs. Government posted the largest decline over the month, down by 10,300 jobs.

In a year-over-year comparison (October 2003 to October 2004), nonfarm payroll employment in California increased by 126,600 jobs (up 0.9 percent).

Seven industry divisions (**construction; manufacturing; trade, transportation and utilities; financial activities; professional and business services; educational and health services; and leisure and hospitality**) posted job gains over the year, adding 160,900 jobs. On a numerical basis, professional and business services showed the strongest employment growth, adding 72,800 jobs (a 3.4 percent increase). On a percentage of growth basis, construction showed the strongest gain, up 4.4 percent (adding 34,800 jobs),

Four categories (**natural resources and mining; information; other services; and government**) posted job declines over the year, down 34,300 jobs. On a numerical basis, government employment showed the largest decline, down by 29,800 jobs (a decline of 1.2 percent).

WAGE AND SALARY EMPLOYMENT DETAIL (NOT SEASONALLY ADJUSTED)

Over the month, employment in **government** showed the largest non-seasonally adjusted gain, up by 50,800 jobs. Seasonally adjusted, government showed a 10,300 job loss. The decline means that government did not add as many jobs as would normally be expected at this time of year. **Manufacturing** recorded the greatest non-seasonally adjusted loss, down by 13,300 jobs. Most of the losses were in nondurable goods, particularly food manufacturing, which declined by 11,200 jobs.

The **professional and business services** industries reported the largest gain over the year, up 73,200 jobs. The largest gains were in the administrative and support services sector, primarily in employment services, which was up by 48,100 jobs. The largest decrease over the year was in **government**, which was down by 29,600 jobs. The losses were concentrated in state and local government, which were down by a combined 28,000 jobs.

Seasonally adjusted payroll detail follows:

Industrial Classification	October 2004 (prelim.)	September 2004	October 2003	Change Over 12 months (Percent)
Nonagricultural Wage and Salary Workers	14,576.7	14,533.2	14,450.1	0.9
Natural resources and mining	21.8	22.1	22.4	-2.7
Construction	827.3	825.2	792.5	4.4
Manufacturing	1,530.0	1,528.5	1,529.7	0.0
Trade, transportation and utilities	2,755.0	2,745.9	2,748.8	0.2
Information	462.6	451.2	464.6	-0.4
Financial activities	903.3	902.4	895.6	0.9
Professional and business services	2,204.5	2,188.2	2,131.7	3.4
Educational and health services	1,568.0	1,563.3	1,546.8	1.4
Leisure and hospitality	1,421.9	1,414.6	1,404.0	1.3
Other services	502.5	501.7	504.4	-0.4
Government*	2,379.8	2,390.1	2,409.6	-1.2
Agriculture	383.6	377.9	368.9	4.0

*Includes all civilian employees of federal, state, and local governments.

TABLE A
EMPLOYMENT AND UNEMPLOYMENT IN CALIFORNIA, SEASONALLY ADJUSTED DATA

	October 2004	September 2004	August 2004	October 2003
Civilian labor force ^a	17,737,000	17,708,000	17,647,000	17,505,000
Total civilian employment	16,718,000	16,648,000	16,610,000	16,332,000
Unemployment	1,019,000	1,060,000	1,037,000	1,173,000
Seasonally adjusted rate %	5.7	6.0	5.9	6.7
US seasonally adjusted rate % .	5.5	5.4	5.4	6.0

TABLE B
EMPLOYMENT AND UNEMPLOYMENT IN CALIFORNIA, UNADJUSTED DATA

	October 2004	September 2004	August 2004	October 2003
Civilian labor force ^a	17,816,000	17,712,000	17,758,000	17,582,000
Total civilian employment	16,822,000	16,698,000	16,731,000	16,435,000
Unemployment	994,000	1,014,000	1,027,000	1,147,000
Unadjusted rate %	5.6	5.7	5.8	6.5

^aLabor force by place of residence including workers involved in trade disputes.

**MONTHLY LABOR FORCE DATA FOR COUNTIES
OCTOBER 2004 (Preliminary); 2003 BENCHMARK
NOT SEASONALLY ADJUSTED**

COUNTY	LABOR FORCE	EMPLOYMENT	UNEMPLOYMENT	RATE
STATE TOTAL	17,815,100	16,821,500	993,600	5.6%
ALAMEDA	757,000	717,800	39,300	5.2%
ALPINE	350	320	40	9.9%
AMADOR	15,900	15,260	640	4.0%
BUTTE	92,300	86,500	5,700	6.2%
CALAVERAS	17,520	16,500	1,020	5.8%
COLUSA	8,500	7,300	1,200	14.1%
CONTRA COSTA	525,200	502,000	23,200	4.4%
DEL NORTE	9,850	9,130	720	7.3%
EL DORADO	83,700	80,200	3,500	4.2%
FRESNO	403,400	355,200	48,300	12.0%
GLENN	9,800	8,990	820	8.3%
HUMBOLDT	60,900	58,000	3,000	4.8%
IMPERIAL	62,300	47,000	15,200	24.5%
INYO	7,260	6,860	400	5.5%
KERN	307,900	274,900	33,000	10.7%
KINGS	50,350	44,550	5,800	11.5%
LAKE	25,180	23,130	2,050	8.1%
LASSEN	11,670	11,180	490	4.2%
LOS ANGELES	4,866,500	4,575,400	291,100	6.0%
MADERA	57,000	51,800	5,200	9.2%
MARIN	132,200	128,300	3,800	2.9%
MARIPOSA	7,520	7,090	430	5.7%
MENDOCINO	44,730	42,470	2,260	5.0%
MERCED	93,600	83,200	10,400	11.1%
MODOC	4,550	4,310	230	5.1%
MONO	7,500	7,040	460	6.2%
MONTEREY	199,200	186,400	12,800	6.4%
NAPA	72,900	69,700	3,200	4.4%
NEVADA	48,960	47,210	1,750	3.6%
ORANGE	1,611,900	1,561,800	50,100	3.1%
PLACER	144,200	138,400	5,800	4.0%
PLUMAS	10,620	9,940	680	6.4%
RIVERSIDE	856,800	807,200	49,600	5.8%
SACRAMENTO	663,000	629,500	33,500	5.1%
SAN BENITO	30,730	28,490	2,240	7.3%
SAN BERNARDINO	908,000	862,300	45,700	5.0%
SAN DIEGO	1,533,000	1,477,300	55,700	3.6%
SAN FRANCISCO	407,700	386,500	21,200	5.2%
SAN JOAQUIN	289,800	264,700	25,100	8.7%
SAN LUIS OBISPO	123,300	119,700	3,700	3.0%
SAN MATEO	374,900	362,000	12,900	3.5%
SANTA BARBARA	220,200	212,400	7,900	3.6%
SANTA CLARA	870,900	825,100	45,800	5.3%
SANTA CRUZ	143,100	134,900	8,100	5.7%
SHASTA	85,500	79,900	5,600	6.6%
SIERRA	1,450	1,330	120	8.2%
SISKIYOU	17,500	16,140	1,360	7.8%
SOLANO	217,600	206,800	10,800	4.9%
SONOMA	266,000	255,900	10,100	3.8%
STANISLAUS	218,600	196,600	22,000	10.1%
SUTTER	37,100	32,600	4,500	12.1%
TEHAMA	28,300	26,770	1,530	5.4%
TRINITY	5,070	4,640	440	8.6%
TULARE	176,800	152,700	24,100	13.6%
TUOLUMNE	23,110	21,780	1,330	5.8%
VENTURA	443,200	422,200	20,900	4.7%
YOLO	101,800	97,500	4,300	4.2%
YUBA	21,300	19,000	2,300	11.0%